



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-533-867]

Welded Stainless Pressure Pipe from India: Final Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (“Department”) determines that welded stainless pressure pipe (“WSPP”) from India is being, or is likely to be, sold in the United States at less than fair value (“LTFV”). The period of investigation (“POI”) is July 1, 2014, through June 30, 2015. The final estimated weighted-average dumping margins of sales at LTFV are listed below in the “Final Determination” section of this notice.

DATES: EFFECTIVE [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*.]

FOR FURTHER INFORMATION CONTACT: James Terpstra or Alex Rosen, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3965, or (202) 482-7814, respectively.

SUPPLEMENTARY INFORMATION:

Background

On May 10, 2016, the Department published the *Preliminary Determination* of this LTFV investigation and invited parties to comment.<sup>1</sup> As provided in section 782(i) of the Tariff Act of 1930, as amended (“the Act”), in June and July 2016, the Department verified the sales

---

<sup>1</sup> See *Welded Stainless Pressure Pipe From India: Affirmative Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 81 FR 28824 (May 10, 2016) (“*Preliminary Determination*”).

and cost data reported by (1) Steamline Industries Limited (“Steamline”) and (2) Sunrise Stainless Pvt. Ltd. (“Sunrise”) (including its affiliate Sun Mark Stainless Pvt. Ltd. (“Sun Mark”) (“collectively, “Sunrise Group”)), the two mandatory respondents in this investigation. In August 2016, Petitioners,<sup>2</sup> Sunrise Group and Steamline submitted case briefs and rebuttal briefs. For a complete discussion of the events that occurred since the *Preliminary Determination*, see the Issues and Decision Memorandum.<sup>3</sup>

#### Scope of the Investigation

The product covered by this investigation is circular welded austenitic stainless pressure pipe not greater than 14 inches in outside diameter, from India. For a full description of the scope of this investigation, see the “Scope of the Investigation,” in Appendix II to this notice. The Department did not receive comments regarding the scope of this investigation.

#### Final Determination of Affiliation and Collapsing

We preliminarily determined to collapse Sunrise with its affiliate Sun Mark and to treat these two companies as a single entity.<sup>4</sup> No party raised this issue subsequent to the *Preliminary Determination* or provided comment in their case or rebuttal briefs. Accordingly, we continue to find Sunrise and Sun Mark are affiliated pursuant to section 771(33)(F) of the Act and should be collapsed together and treated as a single entity, pursuant to the criteria laid out in 19 CFR 351.401(f).<sup>5</sup>

---

<sup>2</sup> Petitioners consist of Bristol Metals, LLC, Felker Brothers Corporation, Outokumpu Stainless Pipe, Inc., and Marcegaglia USA Inc. (collectively, “Petitioners”).

<sup>3</sup> See Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, “Issues and Decision Memorandum for the Final Determination in the Less-Than-Fair-Value Investigation of Welded Stainless Pressure Pipe from India,” dated concurrently with this notice (“Issues and Decision Memorandum”).

<sup>4</sup> See *Preliminary Determination* and accompanying Memorandum to Brendan Quinn, Acting Director, Office III, “Antidumping Duty Investigation on Welded Stainless Pressure Pipe from India: Preliminary Affiliation and Collapsing Memorandum for Sunrise Stainless Private Limited,” dated May 10, 2016.

<sup>5</sup> See *Preliminary Determination*, and accompanying Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for

### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum, which is incorporated by reference and hereby adopted by this notice. A list of the issues raised is attached to this notice as Appendix I to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("ACCESS"). ACCESS is available to registered users at <https://access.trade.gov>, and it is available to all parties in the Central Records Unit, room B-8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

### Use of Adverse Facts Available

In making this final determination, the Department relied, in part, on facts available with regard to sales of defective or sub-prime merchandise in the home market by Steamline.<sup>6</sup> Because Steamline failed to act to the best of its ability to respond to the Department's requests for information, we drew an adverse inference, where appropriate, in selecting from among the facts otherwise available.<sup>7</sup> For further information, *see* the accompanying Issues and Decision Memorandum at Comment 1.

---

Enforcement and Compliance, "Decision Memorandum for the Preliminary Determination in the Antidumping Duty Investigation of Welded Stainless Pressure Pipe from India," dated May 3, 2016, at 3.

<sup>6</sup> *See* Issues and Decision Memorandum at Comment 1.

<sup>7</sup> *See* sections 776(a) and (b) of the Act.

### Changes Since the *Preliminary Determination*

Based on our review and analysis of the comments received from parties, we made certain changes to the margin calculations for both respondents since the *Preliminary Determination*, including a revision of our comparisons of normal value (“NV”) to U.S. price on a theoretical, instead of actual, weight basis. For a discussion of all of these changes, *see* the Issues and Decision Memorandum.

### All-Others Rate

Section 735(c)(5)(A) of the Act provides that the all-others rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters or producers individually examined, excluding any rates that are zero, *de minimis*, or determined entirely under section 776 of the Act. Because we calculated a *de minimis* weighted-average dumping margin for Sunrise Group, we have based the all-others rate on the estimated weighted-average dumping margin calculated for Steamline, the other mandatory respondent in this investigation.

### Final Determination

The Department determines that the final estimated weighted-average dumping margins are as follows:

<b>Exporter or Producer</b>	<b>Estimated Weighted-Average Dumping Margin (Percent)</b>	<b>Cash Deposit Rate (Percent)</b>
Steamline Industries Ltd.	<b>12.66</b>	<b>10.17</b>
Sunrise Stainless Pvt. Ltd. and Sun Mark Stainless Pvt. Ltd. (collectively, “Sunrise Group”)	<b>0.00</b>	<b>0.00</b>
All Others	<b>12.66</b>	<b>8.35</b>

## Disclosure

We will disclose the calculations performed to interested parties in this proceeding within five days of the public announcement of this final determination in accordance with 19 CFR 351.224(b).

## Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we will direct U.S. Customs and Border Protection (“CBP”) to continue to suspend liquidation of all appropriate entries of WSPP from India, as described in the “Scope of the Investigation” section, which are entered, or withdrawn from warehouse, for consumption on or after May 10, 2016, the date of publication in the *Federal Register* of the affirmative *Preliminary Determination*. Because Sunrise Group, which includes Sunrise Stainless Pvt. Ltd. and Sun Mark Stainless Pvt. Ltd., has an estimated weighted-average final dumping margin of zero, we are directing CBP to terminate suspension of liquidation of entries of WSPP produced and exported by this entity. In addition, subject merchandise produced and exported by Sunrise Group will be excluded from the antidumping duty order, if issued.

Pursuant to 19 CFR 351.205(d), we will instruct CBP to require a cash deposit equal to the weighted-average amount by which the NV exceeds the export price (“EP”) or constructed export price (“CEP”), as indicated in the chart above. Consistent with our longstanding practice, where the product under investigation is also subject to a concurrent countervailing duty investigation, we instruct CBP to require a cash deposit equal to the amount by which the NV exceeds the U.S. price, less the amount of the countervailing duty determined to constitute any export subsidies. Therefore, in the event that a countervailing duty order is issued and suspension of liquidation is resumed in the companion countervailing duty investigation on WSPP from India, the Department will instruct CBP to require cash deposits adjusted by the

amount of export subsidies, as appropriate. These adjustments are reflected in the final column of the rate chart, above.<sup>8</sup> Until such suspension of liquidation is resumed in the companion countervailing duty investigation, and so long as suspension of liquidation continues under this antidumping duty investigation, the cash deposit rates for this antidumping duty investigation will be the rates identified in the weighted-average margin column in the rate chart, above.

#### International Trade Commission (“ITC”) Notification

In accordance with section 735(d) of the Act, we will notify the ITC of the final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in part, section 735(b)(2) of the Act requires that the ITC make its final determination whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of WSPP from India no later than 45 days after our final determination. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP to assess, upon further instruction by the Department, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

#### Notification Regarding Administrative Protective Orders (“APO”)

This notice serves as a reminder to parties subject to APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a violation subject to sanction.

---

<sup>8</sup> See Memorandum to the File, “Calculation Memorandum for Export Subsidy Offset to Cash Deposit Rates,” dated concurrently with this notice.

Notice to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act and 19 CFR 351.210.

Dated: September 22, 2016

---

Paul Piquado  
Assistant Secretary  
for Enforcement and Compliance

## **Appendix I**

### **List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
  - II. Background
  - III. Scope of the Investigation
  - IV. Changes Since the Preliminary Determination
  - V. List of Comments
  - VI. Discussion of the Issues
- 
- Comment 1: Whether Certain Home Market Sales Constitute Sub-Prime Merchandise
  - Comment 2: The Use of Theoretical or Actual Weight
  - Comment 3: Calculation of Direct Material (Coil) Cost
  - Comment 4: Steamline's Home Market Sales to an Affiliated Party
  - Comment 5: Steamline's Data Error for One U.S. Sale
  - Comment 6: Steamline's Inventory Carrying Costs ("ICC")
  - Comment 7: Steamline's Packing Material Usage Rate
  - Comment 8: Steamline's Minor Corrections to Response Presented at Verification
  - Comment 9: Steamline's Arm's- Length Prices from Affiliated Parties for Direct Materials
  - Comment 10: Steamline's Allocation of Conversion Costs
  - Comment 11: Steamline's Director's Remuneration
  - Comment 12: Steamline's Cost Reconciliation and Scrap
  - Comment 13: Conversion of Sunrise's Warranty Expenses
  - Comment 14: Treatment of Indirect Selling Expenses for Sunrise's CEP Sales
  - Comment 15: Use of Net Quantity in the Calculation of Sunrise's U.S. Sales
- 
- VII. Recommendation

## **Appendix II**

### **Scope of the Investigation**

The merchandise covered by this investigation is circular welded austenitic stainless pressure pipe not greater than 14 inches in outside diameter. References to size are in nominal inches and include all products within tolerances allowed by pipe specifications. This merchandise includes, but is not limited to, the American Society for Testing and Materials (“ASTM”) A-312 or ASTM A-778 specifications, or comparable domestic or foreign specifications. ASTM A-358 products are only included when they are produced to meet ASTM A-312 or ASTM A-778 specifications, or comparable domestic or foreign specifications.

Excluded from the scope of the investigation are: (1) welded stainless mechanical tubing, meeting ASTM A-554 or comparable domestic or foreign specifications; (2) boiler, heat exchanger, superheater, refining furnace, feedwater heater, and condenser tubing, meeting ASTM A-249, ASTM A-688 or comparable domestic or foreign specifications; and (3) specialized tubing, meeting ASTM A-269, ASTM A-270 or comparable domestic or foreign specifications.

The subject imports are normally classified in subheadings 7306.40.5005, 7306.40.5040, 7306.40.5062, 7306.40.5064, and 7306.40.5085 of the Harmonized Tariff Schedule of the United States (“HTSUS”). They may also enter under HTSUS subheadings 7306.40.1010, 7306.40.1015, 7306.40.5042, 7306.40.5044, 7306.40.5080, and 7306.40.5090. The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of this investigation is dispositive.

[FR Doc. 2016-23577 Filed: 9/28/2016 8:45 am; Publication Date: 9/29/2016]